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FROM THE AMBASSADOR TO ADM ROUGHEAD

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TAGS: [MARR](#) [MASS](#) [PREL](#) [PGOV](#) [NATO](#) [GR](#)
SUBJECT: SCENESETTER FOR ADM ROUGHEAD'S VISIT TO GREECE

CLASSIFIED BY: Daniel V. Speckhard, Ambassador;
REASON: 1.4(B), (C), (D)

¶1. (C) Admiral Roughead: Welcome to Greece. You are the first and most senior flag officer to visit Greece since the October 4 national elections. Admiral Stavridis (as SACEUR) and Admiral Fitzgerald (as NAVEUR) visited Athens in late September. Your visit comes as newly elected PM George Papandreou, with Ministers and a Parliament now in place, begins to focus on the task of governing. Greece's dire economic situation will force Papandreou to make some tough decisions on the Greek military budget, and creates a tough domestic political environment for him when his post-electoral public opinion "honeymoon" is over. U.S.-Greek military-to-military cooperation is good, particularly at the U.S. Naval Support Activity at Souda Bay on Crete, which plays a key role in supporting U.S. military operations in the eastern Mediterranean and Middle East, including Iraq and Afghanistan. Greece is also among the largest purchasers of U.S. military equipment. At the same time, Greece's participation in NATO is politically sensitive with weak public support for NATO operations. Beyond politics, Greeks have a deep respect and affection for Americans in general dating to the Marshall Plan and earlier, though a significant percentage of the younger generation holds sharply negative views of U.S. policies.

¶2. (C) Your visit will continue the uptick in our bilateral relations over the course of 2009, and can help advance some of our policy goals both in Greece and the region. We are encouraging the Greeks to:

- live up to the commitment the previous government made to President Obama to enhance their Afghanistan contributions;
- continue their efforts and look for ways to expand cooperation on counter-piracy, such as signing the New York Declaration;
- continue to support Turkey's EU orientation;
- seek to foster goodwill in the Aegean and reciprocate any Turkish gestures, despite passionately held views and frustrations; and
- work vigorously to find a solution to the Macedonia name issue that would allow Macedonia to join NATO and the EU and strengthen stability in Greece's neighborhood.

Political Overview

13. (C) The twelve months leading up to the October 4 Parliamentary elections were marked by a succession of crises for the government of Prime Minister Karamanlis, who had managed to hold onto his one-seat majority in Parliament through a series of intra-party scandals, the global financial crisis, widespread rioting following the police shooting of a teenager, resurgent domestic terrorism, huge numbers of illegal migrants entering Greece, an increase in Turkish military overflights of Greek islands, and most recently the serious forest fires on the outskirts of Athens in August. On September 2, a somber Karamanlis, in the face of constant attack by the opposition and plummeting approval ratings, called for new elections, which his New Democracy party lost by a decisive 10-point margin.

14. (C) New PM (and Foreign Minister) Papandreou has an American mother, has lived and studied in the U.S., and having been Foreign Minister under a previous PASOK administration, developed a good reputation in the international community as a thoughtful and constructive interlocutor. While he must use careful rhetoric domestically to avoid the "Amerikanaki" (little American) label by detractors, our recent engagements with him have been positive.

ISAF

15. (C) At every opportunity, and at every level, we encourage the Greeks to contribute more to efforts in Afghanistan. The caveat limiting Greek soldiers to Kabul was lifted in April 2009. Greece has pledged to stand up a 17-person OMLT in Jan/Feb 2010 (though that timeline appears to be slipping) and to take control of the Kabul airport in April 2010. These new missions should result in the near doubling of the Greek contingent from its present size of approximately 150 personnel to nearly 300. However, the Greeks are seeking to upgrade their force protection assets first, which threatens the deployment timeline and potentially the deployment. They seek 32 MRAP-type vehicles and 52 anti-IED ECM devices, and a host of other equipment including armored dump trucks and bulldozers. Our ODC recently forwarded to DOD planners the detailed list of equipment the Greek military has told us they needed to fulfill this deployment commitment, and which they seek to procure from the U.S. at reduced cost. In parallel, we have learned that the Greeks are making the same equipment requests of the British, Australians and Israelis.

16. (C) Additionally, given the non-deployable nature of much Greek military hardware, and the focus of much of it across the Evro River and Aegean toward Turkey, we believe that a strong pitch to the Greeks to provide materiel and financial assistance to NATO's Training Mission in Afghanistan could bear fruit. Greek participation in ISAF remains unpopular with the Greek population at large, and any future casualties that can be attributed to inadequate force protection measures could result in extreme pressure on the Government to remove its forces from ISAF.

Counter-Piracy

17. (C) We share many common views with the Greeks on piracy, and it is an issue where we can maintain a robust and fruitful dialogue. Greece is a staunch supporter of our position that opposes the creation of an international tribunal to try suspected pirates. Greece views positively the recent creation of an International Trust Fund under the auspices of the UN to help defray costs of piracy trials in developing countries, and is considering a donation. The MFA has urged Greek ship owners to send captains and crew to testify in piracy trials in other countries. Greece served as the flagship command of the EU's first

ever naval operation, Atalanta, off of Somalia last year, has a frigate now in Atalanta's current rotation, and participates at present in NATO's Ocean Shield through its rotational contribution to NATO's Standing Naval Maritime Group 2.

18. (C) On the negative side, Greece declined to sign the New York Declaration on the margins of the last plenary meeting of the Contact Group on Piracy off the Coast of Somalia in September. They cite concerns that the document added little value to existing IMO guidelines, was not a negotiated, consensus-based text among CGPCS participants, implied that merchant vessels should be armed, and was provided to them too late to be staffed through their interagency. They also disagree with us on the need to prosecute piracy suspects in Greek courts. While Greece has the ability to try suspects in Greek courts, the government has in practice taken the stance that the flag nation of the vessel, not the nation from which the ship owners come, should have primary responsibility for prosecuting any piracy attacks against a vessel. Assistant

Secretary of State for Political Military Affairs Shapiro during his October 22-23 visit pressed the Greeks usefully on all these fronts and was met with an open attitude by his interlocutors; your visit presents a great opportunity to follow up with military counterparts.

Turkey: EU Accession and Aegean Issues

19. (C) The Papandreou government continues its predecessor's support for the accession of Turkey to the EU, but has told us that they will not give a "blank check" to Turkey unless they see satisfactory progress on key bilateral issues and Cyprus. Although PM Papandreou is proud of his record of cooperation with Turkey during his tenure as Foreign Minister (1999-2004), in campaign interviews he warned that Turkey's EU aspirations could be "up in the air" during its December 2009 EU evaluation should it continue its present course of actions, particularly the provocative overflights of Greek islands in the Aegean. Papandreou made a well-received and much publicized snap trip to Istanbul on October 9, in the first days following his election, where he met with Turkish PM Erdogan.

110. (C) Greece and Turkey still differ on a host of Aegean issues, including air/seaspace demarcation, economic zones, demilitarization issues, and flight safety requirements. Greece often complains of Turkish air incursions in the Aegean, both inside the Greeks' claimed 10 nautical mile airspace boundary (which the U.S. does not recognize, because of the disparity with their six nautical mile territorial sea claim), as well as within the internationally recognized six nautical mile limits. To the chagrin of Turkey, Greece "tags" as hostile unannounced Turkish military flights in the Aegean, and Greek F-16s routinely intercept Turkish aircraft. Armed, low-level Turkish overflights of the inhabited Greek islands of Agathonisi and Farmakonisi dramatically increased in 2009 compared to prior years, though the Turks suspended these flights prior to the October 4 Greek elections, and the suspension appears to have remained in effect. Both countries have in the past attempted to use NATO exercises to press claims or to make points. Should the Greeks raise this issue in your meetings, we recommend taking an overall strategic approach that emphasizes mutual respect, confidence building measures, and safety of flight with both countries, while encouraging the Greeks to respond positively to the cessation of Turkish overflights over the inhabited islands. Suggesting that they should stop labeling Turkish flights as hostile would be a good step, consistent with what NATO has been encouraging in the past.

Other Issues

¶11. (C) OTHER MILITARY CONTRIBUTIONS: Greek contributions to other important initiatives are substantial and should not be overlooked. The U.S. Navy and U.S. Air Force rely heavily on Naval Support Activity Souda Bay in Crete as a support hub for sea and air operations in the Eastern Mediterranean, Afghanistan, and Iraq. (Comment: Although it is fine to thank them privately during meetings, Greek public sentiment is generally anti-NATO, and anti-American military, so the help Greece gives us at Souda Bay and with frequent transshipments of ammunition are subjects they would like to keep private avoiding any public acknowledgments.) Greece allows over 24,000 over-flights of U.S. military aircraft a year; participates in NATO's Operations Active Endeavour and Ocean Shield, and in KFOR; the EU's counter-piracy mission off of Somalia Operation Atalanta; and the UN's Lebanon mission, UNIFIL.

¶12. (C) U.S. DEFENSE PROCUREMENT: Greece is a large purchaser of U.S. defense goods. We have over \$8 billion in FMS cases and there is potential for more than \$6 billion coming up for international competition over the next two years, though Greek budget difficulties may hamper that. At present, the Hellenic Navy has identified two procurement efforts: the upgrade of 4 MEKO class frigates, and the new construction of up to six air defense frigates.

¶13. (C) IMMIGRATION: Greece has become an entry point of choice for illegal immigrants into the European Union. The number of illegal migrants detained by Greek authorities has increased dramatically over the last two years, reaching 140,000 last year (in a country with a population of only about 11 million). The presence of these migrants - many of whom originated in conflict zones in Afghanistan, Pakistan, and the Middle East and entered Greece via Turkey - has become a major political issue. It also roils Greek-Turkish relations on occasion, with the Greeks leveling accusations that Turkey does not do enough to stop the outflow to Greece, and indeed, aids and abets the illegal immigrants. Greece is making a strong push for the European Union to take this issue on and to negotiate repatriation agreements with source countries such as Afghanistan and Pakistan.

¶14. (S) TERRORISM: Greece has also been burdened with a resurgence of domestic terrorism. Following several years of a lull with the wrap-up of the November 17 group, attacks are again on the rise. On October 27, Greek terrorists opened fire on a police station and fled the scene, wounding six officers, two seriously. An ammonium nitrate car bomb was detonated at the Athens Stock Exchange on September 2 this year, causing significant material damage, and a police officer was murdered in June. The U.S. Embassy suffered an RPG attack in January of 2007. The U.S. has been offering technical assistance and sharing intelligence through DHS, FBI, and other agencies, but the Greeks are woefully unprepared for any significant increase in terrorist activity. We are also concerned that the rise of Greece as a migration path from troubled spots to Western Europe and vice-versa opens the door to international extremists making a foothold here or using Greece as a "safe house" for planning nefarious activities.

¶15. (S//NF) VADM KARAMALIKIS. Your counterpart, VADM Karamalikis, is approaching the end of his normal tour of duty, due to expire next February. Recent developments, however, may drive him to submit his resignation immediately following your visit. Despite this, your engagement with the Hellenic Navy is still valuable to US interests. Potential successors include the current Deputy Chief of the Hellenic National Defense General Staff, VADM Elefsiniotis; current Chief of the Hellenic Fleet, VADM Karaiskos; and current Deputy Chief of the Hellenic Navy General Staff, RADM Vazeos; RADM Vazeos, however, is deemed by USDAO Athens to be an unlikely candidate due to his junior rank.

¶16. (C) TYPE 214 SUBMARINE. The Hellenic Navy contracted for four Type 214 submarines from German owned ThyssenKrupp. Four hulls were built; one in Germany, and the other three in a Greek Skaramanga Shipyard, partially operated by ThyssenKrupp. Disagreements over perceived design flaws delayed delivery of all four subs. As of today, production and fiscal difficulties on both sides have resulted in the Germans pulling out of the deal. The government of Greece is negotiating with the ThyssenKrupp regarding the disposition of the four submarines, but it is likely the Hellenic Navy will see none of the hulls commissioned into service. This has direct impact on Hellenic Navy undersea warfare capability.

¶17. (C) SKARAMANGA SHIPYARD. Skaramanga shipyard (formally Hellenic Shipyard), the shipyard responsible for constructing three of the four Type 214 submarines, is in danger of closing. The closure would result in the loss of some 1300 jobs, the largest shipyard in Greece and indigenous submarine construction capability. Potential buyers from Sweden, Russia, China and Greece exist, but the way forward depends on the resolution of the Type 214 contract.

¶18. (U) We are very much looking forward to your visit and hosting you here in Athens.
Speckhard